

From: Grayson Bottom

Sent: Monday, October 19, 2015 11:39 AM

To: Gary Cooper; Tammy Kretchmar DeSpain; Donna Yanda; Earline Smaistrila; John Alberts; Michael McEachern; Richard Russell

Cc: Jenna Roberson

Subject: City Council Update

I'm sorry for the lateness in writing my update to you. I took off a couple of days during fall break to do things around the house and with Frankie.

We have only one action item under the YMA agenda. You are being asked to approve the renewal of our revenue note in the amount of \$4,800,000 at YNB. This was the note that was incurred to purchase the land for the sports park. We anticipate taking out the note within the next couple of months when the phase 1 construction is started. We are currently working closely with all of our financial advisors, financing partners, and development team to determine when the most advantageous time would be to break ground.

The first action item under the Council agenda is to ratify the action of the Board of Trustees of YMA concerning the above revenue note renewal. The second and third action items for your consideration first is Ordinance # 1327 that amends Section 2-137(b) to allow for the renewal of the revenue note and declaring an emergency (the third action item). We pay the interest due on the note on a quarterly basis so there is only the last quarter of interest due.

The fourth and fifth action items for your consideration is amending Section 114-35 of the Code of Ordinances. Ordinance 1328 will change the way we charge for sanitary sewer service and declares an emergency. Three years ago we unbuckled our sewer rates from our water rates. We have over the last three years increased our sewer rates by 20% each year in order to equalize our revenues from both water and sewer. We were set to increase those rates by 20% for the next two years as well. That rate increase went into effect each year for the October billing cycle at the same time we changed from the lower summer rates to the higher winter rates. So each year we would charge a lower rate for the months of April through September and a higher rate for the months of October through March. With this amendment we asking to do away with the 20% rate increase and the dual rate system. By doing this we will equalize our water and sewer rates two years ahead of schedule. The rates we will be charging throughout the year will be within the average range of the metro.

The sixth and seventh action items for your consideration is also an amendment to our Code of Ordinances. Ordinance 1329 brings our Code in-line with the new State Law regarding the prohibition of "texting while driving" and declaring an emergency.

Grayson Bottom

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